

## **MEMORANDUM**

**TO:** Commissioners McCarty, Hadley, Landis, Ripley and Ziegner  
**FROM:** Jerry L. Webb, Director of Gas/Water/Sewer Division  
**DATE:** December 22, 2004  
**RE:** Utility Articles for Next Conference

The following Final Articles A, C, D and M are submitted to each of you to acquaint you with the tariffs eligible for action or acceptance on or after December 29, 2004.

## **"A" Final**

The following miscellaneous items will be eligible for final consideration at the next Commission Conference and based on a review of them by staff members of the Commission, I recommend approval.

### **1. Citizens Gas & Coke Utility**

In compliance with the Stipulation and Settlement Agreements in Cause Nos. 41605 and 42590 ("Settlement Agreements"), the Utility has proposed a change to the Customer Benefit Distribution/Universal Service Program ("CBD/USP") tracker to be effective January 1, 2005.

The purpose of the CBD/USP is (1) to provide as a benefit to the Utility's gas customers available funds from its unregulated businesses and affiliates or subsidiaries, (2) provide a means for Citizens to recover certain FAS106 and FAS71 costs incurred by Citizens and agreed to by the Parties in the Settlement Agreement, and (3) to fund the Universal Service Program.

The proposed net CBD/USP factors, based upon expected calendar year 2005 throughput to gas customers is \$0.000 per dekatherm for Gas Rates D1, D2, D3, D4, D6, and D7, and \$(0.020) per dekatherm for Gas Rates D5 and D8. The calculation of the CBD/USP has been provided.

(A) <b><u>Gas Rate</u></b>	(B) <b><u>Current CBD*</u></b>	(C) <b><u>Proposed CBD</u></b>	(D) <b><u>Proposed USP</u></b>	(E) <b><u>NET (C+D)</u></b>
D1, D2, D3, D4, D6, D7	\$(0.043)/Dth	\$(0.0250)/Dth	\$0.0250/Dth	\$0.0000/Dth
D5, D8	\$(0.043)/Dth	\$(0.0250)/Dth	\$0.0050/Dth	\$(0.0200)/Dth

\*This figure is the current net since no USP tracker is currently in place

The tariff sheet affected by this filing is:

Second Revised Page No. 503 Customer Benefit Distribution/Universal Service Program

### **2. Eastern Heights Utilities, Inc.**

The utility is proposing to increase its customer tap fee and to introduce several new customer service charges. Cost support has been provided. The utility did not state the specific reason for the increase in the tap fee, but after examining the cost support it appears the utility is now installing radio read meters. The tap fee will increase from \$325 to \$545. For customers wanting a second meter as part of a dual meter set in the same meter pit, the tap fee will be \$250.

Eastern Heights Utilities, Inc. also wishes to introduce a disconnect charge, reconnect charge, removal or lock surcharge, reinstallation or unlock surcharge, a general service charge, and a surcharge for services outside of business hours. In addition to the charges listed below, the utility would like to change its late payment charge to specify that the charge will be levied if the bill is not paid within seventeen days of the due date, in conformance with Commission rules.

<b>Description</b>	<b>Current Charge</b>	<b>Proposed Charge</b>
Tap-in Fee (1st Tap)	\$325	\$545
Tap-in Fee (2nd Tap / dual meters)	na	\$250
Disconnect Charge	na	\$25
Reconnection Charge	na	\$25
Removal or Lock Surcharge	na	\$11
Reinstallation or Unlock Surcharge	na	\$11
General Service Charge	na	\$25
(For problems on the customer's side of the meter)		
Surcharge for Services Outside of Business Hours	na	\$11
"Turn On" Fee	\$5/\$7.50	na
"Turn Off" Fee	\$5/\$7.50	na
After Hours Reconnection	\$24	na

The tariff sheets affected are: 1,2,3,4, and 5.

**“C” Final**

In order to maintain parity and be in compliance with the Commission's Final Order in Cause No. 39369 issued June 2, 1993, the following local exchange carrier has filed an intrastate access parity tariff mirroring its respective interstate equivalent. The requirements prescribed for this filing in Commission Order No. 39369 have been carried out and I recommend approval.

Federal Communications Commission

<u>Item</u>	<u>Local Exchange Carrier</u>	<u>Transmittal Number</u>	<u>File Date</u>	<u>Effective Date</u>
1.	Frontier Comms of Thorntown	86	11-29-04	12-14-04

**“D” Final**

A revision to the purchased power cost tracker for electric utilities has been reviewed by staff members of the Commission and found to be in compliance with the orders of the Commission. The requirements prescribed for these filings in Commission Order No. 34614 have been met and I recommend approval.

<u>Item</u>	<u>Utility</u>	<u>Rate Schedule</u>	<u>Change \$/kWh</u>	<u>Resultant \$/kWh</u>
1.	Kingsford Heights	All	0.002777	0.015280

**“M” Final**

A revision to the power cost tracker for electric utilities has been reviewed by staff members of the Commission and found to be in compliance with the orders of the Commission. The requirements prescribed for these filings in Commission Order No. 40095 have been met and I recommend approval.

<u>Item</u>	<u>Utility</u>	<u>Rate Schedule</u>	<u>Change \$/kWh</u>	<u>Resultant \$/kWh</u>	<u>Filing #</u>
1.	Auburn Municipal	All	(0.000460)	(0.001488)	38

Please indicate your consideration and action of all the preceding items on the appropriate lines provided below.

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Jerry L. Webb  
Director of Gas/Water/Sewer Division

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I approve of all items as presented above:

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I approve of all items as presented above except:

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Not participating in the following items:

I, \_\_\_\_\_, Disapprove Items

No.

I, \_\_\_\_\_, Wish to Defer Items

No.

I hereby certify that the above is a true and correct copy of the action on the articles.

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Nancy E. Manley, Executive Secretary